

By: Ellis

S.B. No. 107

A BILL TO BE ENTITLED

AN ACT

relating to exemptions from the sales tax for certain school backpacks.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.327 to read as follows:

Sec. 151.327. SCHOOL BACKPACKS BEFORE START OF SCHOOL.

(a) The sale or storage, use, or other consumption of a school backpack is exempted from the taxes imposed by this chapter if the backpack is purchased:

(1) for use by a student in a public or private elementary or secondary school;

(2) during the period described by Section 151.326(a)(2); and

(3) for a sales price of less than \$100.

(b) A retailer is not required to obtain an exemption certificate stating that school backpacks are purchased for use by students in a public or private elementary or secondary school unless the backpacks are purchased in a quantity that indicates that the backpacks are not purchased for use by students in a public or private elementary or secondary school.

SECTION 2. The change in law made by this Act does not affect taxes imposed before the effective date of this Act, and the law in effect before the effective date of this Act is continued in

1 effect for purposes of the liability for and collection of those
2 taxes.

3 SECTION 3. This Act takes effect July 1, 2007, if it
4 receives a vote of two-thirds of all the members elected to each
5 house, as provided by Section 39, Article III, Texas Constitution.
6 If this Act does not receive the vote necessary for effect on that
7 date, this Act takes effect October 1, 2007.